

Fiscal Note

Fiscal Services Division



HF 631 – Livestock Production Tax Credit (LSB 2234HV)

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Fiscal Note Version – New

Description

House File 631 restores the Livestock Production Tax Credit (Cow-Calf Credit). The credit was repealed by the 2009 General Assembly. A taxpayer must have a federal taxable income of less than \$99,600 for the tax year to qualify for the credit, and the amount of the credit per cow-calf operation cannot exceed \$3,000. The Bill creates a General Fund appropriation standing limited appropriation of \$2.0 million per year to fund the tax credit beginning in FY 2012.

The Bill is effective beginning tax year 2012.

Assumptions

- When previously available, the Livestock Production Tax Credit consumed the allotted \$2.0 million each year, so it is assumed it will do so again if restored.
- Due to the timing of the credit application and payment process, tax year 2012 claims are not paid until FY 2014; therefore, a General Fund appropriation is not necessary until FY 2014.

Fiscal Impact

Restoring the Livestock Production Tax Credit beginning tax year 2012 will require an annual \$2.0 million General Fund standing limited appropriation, beginning FY 2014.

Source

Department of Revenue

/s/ Holly M. Lyons

March 17, 2011

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to Code [Section 2.56](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
